

AMENDED IN ASSEMBLY JUNE 5, 2006

AMENDED IN ASSEMBLY JUNE 23, 2005

AMENDED IN SENATE MAY 27, 2005

AMENDED IN SENATE APRIL 20, 2005

SENATE BILL

No. 559

Introduced by Senator Torlakson

February 18, 2005

~~An act to amend Sections 51222 and 51241 of, and to add Article 9.5 (commencing with Section 44620) to Chapter 3 of Part 25 to, the Education Code, relating to physical education, and making an appropriation therefor. An act to amend Section 1250.8 of the Health and Safety Code, relating to health facilities.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 559, as amended, Torlakson. ~~Physical education.~~ *Health facilities: general acute care hospitals: consolidated permits.*

Existing law provides for the licensure and regulation by the State Department of Health Services of health facilities, including general acute care hospitals, as defined. Existing law prohibits the department from issuing a single consolidated license to a general acute care hospital that has 2 or more physical plants at more than one site that are more than 15 miles apart unless the hospital meets certain criteria.

This bill would, notwithstanding that prohibition, authorize the Director of Health Services to issue a single consolidated license for a general acute care hospital to Children's Hospital Oakland and the John Muir Medical Center, Concord campus.

The bill would declare that, due to the unique circumstances pertaining to Children's Hospital Oakland and the John Muir Medical Center, Concord campus, that the bill is intended to remedy, a general statute within the meaning of specified provisions of the Constitution cannot be made applicable and a special statute is necessary.

~~Existing law establishes various professional development and training programs for certificated employees of local educational agencies:~~

~~This bill would establish the Physical Education Professional Development Program, to be administered by the Superintendent of Public Instruction with the approval of the State Board of Education. Under the program, a school district that maintains kindergarten or any of grades 1 to 8, inclusive, would be eligible to apply for, and to receive, and the Superintendent would be authorized to allocate, incentive funding, upon the submission of a proposal, as specified, to provide training in physical education to no more than one teacher at the school district, through professional development programs conducted by institutions of higher education or a by a provider of training approved by the department. The bill would appropriate _____ for these purposes:~~

~~Existing law requires a pupil in grades 7 to 12, inclusive, to attend physical education courses for no less than 400 minutes each 10 schooldays:~~

~~This bill would define a physical education class as one in which each pupil is required to actively participate:~~

~~Existing law permits a pupil in grade 10, 11, or 12 to be excused from physical education classes, as provided, in order to participate in automobile driver training:~~

~~This bill would delete those provisions:~~

~~Existing law authorizes the governing board of a school district and the office of the county superintendent of schools of a county to grant a permanent exemption from courses in physical education if the pupil complies with one of several criteria, including, among others, that the pupil is 16 years of age or older and has been enrolled in grade 10 for one academic year or longer:~~

~~This bill would delete that exemption with respect to a pupil who is 16 years of age or older and has been enrolled in grade 10 for one academic year or longer, and would make conforming changes:~~

Vote: majority. Appropriation: ~~yes~~*no*. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 **SECTION 1.** *Section 1250.8 of the Health and Safety Code is*
2 *amended to read:*

3 1250.8. (a) Notwithstanding subdivision (a) of Section
4 437.10, the state department, upon application of a general acute
5 care hospital which meets all the criteria of subdivision (b), and
6 other applicable requirements of licensure, shall issue a single
7 consolidated license to a general acute care hospital which
8 includes more than one physical plant maintained and operated
9 on separate premises or which has multiple licenses for a single
10 health facility on the same premises. A single consolidated
11 license shall not be issued where the separate freestanding
12 physical plant is a skilled nursing facility or an intermediate care
13 facility, whether or not the location of the skilled nursing facility
14 or intermediate care facility is contiguous to the general acute
15 care hospital unless the hospital is exempt from the requirements
16 of subdivision (b) of Section 1254, or the facility is part of the
17 physical structure licensed to provide acute care.

18 (b) The issuance of a single consolidated license shall be based
19 on the following criteria:

20 (1) There is a single governing body for all of the facilities
21 maintained and operated by the licensee.

22 (2) There is a single administration for all of the facilities
23 maintained and operated by the licensee.

24 (3) There is a single medical staff for all of the facilities
25 maintained and operated by the licensee, with a single set of
26 bylaws, rules, and regulations, which prescribe a single
27 committee structure.

28 (4) Except as provided otherwise in this paragraph, the
29 physical plants maintained and operated by the licensee which
30 are to be covered by the single consolidated license are located
31 not more than 15 miles apart. If an applicant provides evidence
32 satisfactory to the department that it can comply with all
33 requirements of licensure and provide quality care and adequate
34 administrative and professional supervision, the director may
35 issue a single consolidated license to a general acute care hospital
36 that operates two or more physical plants located more than 15
37 miles apart under any of the following circumstances:

1 (A) One or more of the physical plants is located in a rural
2 area, as defined by regulations of the director.

3 (B) One or more of the physical plants provides only
4 outpatient services, as defined by the department.

5 (C) If Section 14105.986 of the Welfare and Institutions Code
6 is implemented and the applicant meets all of the following
7 criteria:

8 (i) The applicant is a nonprofit corporation.

9 (ii) The applicant is a children's hospital listed in Section
10 10727 of the Welfare and Institutions Code.

11 (iii) The applicant is affiliated with a major university medical
12 school, and located adjacent thereto.

13 (iv) The applicant operates a regional tertiary care facility.

14 (v) One of the physical plants is located in a county that has a
15 consolidated and county government structure.

16 (vi) One of the physical plants is located in a county having a
17 population between 1 million and 2 million.

18 (vii) The applicant is located in a city with a population
19 between 50,000 and 100,000.

20 (c) In issuing the single consolidated license, the state
21 department shall specify the location of each supplemental
22 service and the location of the number and category of beds
23 provided by the licensee. The single consolidated license shall be
24 renewed annually.

25 (d) To the extent required by Part 1.5 (commencing with
26 Section 437) of Division 1, a general acute care hospital which
27 has been issued a single consolidated license:

28 (1) Shall not transfer from one facility to another a special
29 service described in Section 1255 without first obtaining a
30 certificate of need.

31 (2) Shall not transfer, in whole or in part, from one facility to
32 another, a supplemental service, as defined in regulations of the
33 director pursuant to this chapter, without first obtaining a
34 certificate of need, unless the licensee, 30 days prior to the
35 relocation, notifies the Office of Statewide Health Planning and
36 Development, the applicable health systems agency, and the state
37 department of the licensee's intent to relocate the supplemental
38 service, and includes with this notice a cost estimate, certified by
39 a person qualified by experience or training to render the
40 estimates, which estimates that the cost of the transfer will not

1 exceed the capital expenditure threshold established by the
2 Office of Statewide Health Planning and Development pursuant
3 to Section 437.10.

4 (3) Shall not transfer beds from one facility to another facility,
5 without first obtaining a certificate of need unless, 30 days prior
6 to the relocation, the licensee notifies the Office of Statewide
7 Health Planning and Development, the applicable health systems
8 agency, and the state department of the licensee's intent to
9 relocate health facility beds, and includes with this notice both of
10 the following:

11 (A) A cost estimate, certified by a person qualified by
12 experience or training to render the estimates, which estimates
13 that the cost of the relocation will not exceed the capital
14 expenditure threshold established by the Office of Statewide
15 Health Planning and Development pursuant to Section 437.10.

16 (B) The identification of the number, classification, and
17 location of the health facility beds in the transferor facility and
18 the proposed number, classification, and location of the health
19 facility beds in the transferee facility.

20 Except as otherwise permitted in Part 1.5 (commencing with
21 Section 437) of Division 1, or as authorized in an approved
22 certificate of need pursuant to that part, health facility beds
23 transferred pursuant to this section shall be used in the transferee
24 facility in the same bed classification as defined in Section
25 1250.1, as the beds were classified in the transferor facility.

26 Health facility beds transferred pursuant to this section shall
27 not be transferred back to the transferor facility for two years
28 from the date of the transfer, regardless of cost, without first
29 obtaining a certificate of need pursuant to Part 1.5 (commencing
30 with Section 437) of Division 1.

31 (e) All transfers pursuant to subdivision (d) shall satisfy all
32 applicable requirements of licensure and shall be subject to the
33 written approval, if required, of the state department. The state
34 department may adopt regulations which are necessary to
35 implement the provisions of this section. These regulations may
36 include a requirement that each facility of a health facility subject
37 to a single consolidated license have an onsite full-time or
38 part-time administrator.

1 (f) As used in this section, “facility” means any physical plant
2 operated or maintained by a health facility subject to a single,
3 consolidated license issued pursuant to this section.

4 (g) For purposes of selective provider contracts negotiated
5 under the Medi-Cal program, the treatment of a health facility
6 with a single consolidated license issued pursuant to this section
7 shall be subject to negotiation between the health facility and the
8 California Medical Assistance Commission. A general acute care
9 hospital which is issued a single consolidated license pursuant to
10 this section may, at its option, receive from the state department
11 a single Medi-Cal program provider number or separate
12 Medi-Cal program provider numbers for one or more of the
13 facilities subject to the single consolidated license. Irrespective of
14 whether the general acute care hospital is issued one or more
15 Medi-Cal provider numbers, the state department may require the
16 hospital to file separate cost reports for each facility pursuant to
17 Section 14170 of the Welfare and Institutions Code.

18 (h) For purposes of the Annual Report of Hospitals required
19 by regulations adopted by the state department pursuant to this
20 part, the state department and the Office of Statewide Health
21 Planning and Development may require reporting of bed and
22 service utilization data separately by each facility of a general
23 acute care hospital issued a single consolidated license pursuant
24 to this section.

25 (i) The amendments made to this section during the 1985–86
26 Regular Session of the ~~California~~ Legislature pertaining to the
27 issuance of a single consolidated license to a general acute care
28 hospital in the case where the separate physical plant is a skilled
29 nursing facility or intermediate care facility shall not apply to the
30 following facilities:

31 (1) Any facility which obtained a certificate of need after
32 August 1, 1984, and prior to February 14, 1985, as described in
33 this subdivision. The certificate of need shall be for the
34 construction of a skilled nursing facility or intermediate care
35 facility which is the same facility for which the hospital applies
36 for a single consolidated license, pursuant to subdivision (a).

37 (2) Any facility for which a single consolidated license has
38 been issued pursuant to subdivision (a), as described in this
39 subdivision, prior to the effective date of the amendments made

1 to this section during the 1985–86 Regular Session of the
2 California Legislature.

3 Any facility which has been issued a single consolidated
4 license pursuant to subdivision (a), as described in this
5 subdivision, shall be granted renewal licenses based upon the
6 same criteria used for the initial consolidated license.

7 (j) If the state department issues a single consolidated license
8 pursuant to this section, the state department may take any action
9 authorized by this chapter, including, but not limited to, any
10 action specified in Article 5 (commencing with Section 1294),
11 with respect to any facility, or any service provided in any
12 facility, which is included in the consolidated license.

13 (k) The eligibility for participation in the Medi-Cal program
14 (Chapter 7 (commencing with Section 14000), Part 3, Division 9,
15 Welfare and Institutions Code) of any facility that is included in
16 a consolidated license issued pursuant to this section, provides
17 outpatient services, and is located more than 15 miles from the
18 health facility issued the consolidated license shall be subject to a
19 determination of eligibility by the state department. This
20 subdivision shall not apply to any facility that is located in a rural
21 area and is included in a consolidated license issued pursuant to
22 subparagraphs (A), (B), and (C) of paragraph (4) of subdivision
23 (b). Regardless of whether a facility has received or not received
24 a determination of eligibility pursuant to this subdivision, this
25 subdivision shall not affect the ability of a licensed professional,
26 providing services covered by the Medi-Cal program to a person
27 eligible for Medi-Cal in a facility subject to a determination of
28 eligibility pursuant to this subdivision, to bill the Medi-Cal
29 program for those services provided in accordance with
30 applicable regulations.

31 (l) Notwithstanding any other provision of law, the director
32 may issue a single consolidated license for a general acute care
33 hospital to Children's Hospital Oakland and San Ramon
34 Regional Medical Center.

35 (m) *Notwithstanding any other provision of law, the director*
36 *may issue a single consolidated license for a general acute care*
37 *hospital to Children's Hospital Oakland and the John Muir*
38 *Medical Center, Concord campus.*

39 SEC. 2. *The Legislature finds and declares that a general*
40 *statute cannot be made applicable within the meaning of Section*

16 of Article IV of the California Constitution due to the unique circumstances of Children's Hospital Oakland and the John Muir Medical Center, Concord campus. This act is necessary to enable Children's Hospital Oakland to operate a pediatric unit at the John Muir Medical Center, Concord campus to provide pediatric medical services to infants and children in Contra Costa and southern Solano Counties, where those services are in high demand and are largely unavailable.

~~SECTION 1. The Legislature finds and declares all of the following:~~

All matter omitted in this version of the bill appears in the bill as amended in the Assembly, June 23, 2006. (JR11)